

**STATE OF MINNESOTA
DEPARTMENT OF COMMERCE**

**Bulletin 2007-4
Issued this 18th day of July, 2007**

TO: All Insurers Writing Long-Term Care Insurance Business in Minnesota;
All Insurance Producers Selling, Soliciting or Negotiating Long-Term Care Insurance in Minnesota; and
All Approved Continuing Education Providers Offering Long-Term Care Insurance Training

SUBJECT: Producer Training for Sale of Policies Qualifying for the Minnesota Long-Term Care Insurance Partnership Program

The Deficit Reduction Act of 2005, Public Law 109-171, (the "DRA") allows for the expansion of Qualified Long-Term Care Insurance Partnership Programs by states. Minnesota's Long Term Care Insurance Partnership Program ("Partnership") became effective July 1, 2006. Under this program, persons purchasing a qualified Partnership policy may be subject to special rules relating to eligibility for Medicaid/Medical Assistance in Minnesota.

The DRA and the State Medicaid Director's Letter (SMDL #06-019) dated July 27, 2006, (available at: www.nmltcpartnership.org) issued by the Centers for Medicare and Medicaid Services require state insurance departments to provide assurance that any producer who sells, solicits or negotiates a policy under a Partnership program receives appropriate training and demonstrates an understanding of Partnership policies and their relationship to public and private coverage for long-term care. In accordance with this requirement, the Minnesota Legislature enacted Minnesota Statutes section 60K.365, effective May 9, 2007, which prohibits an individual from selling, soliciting or negotiating long-term care insurance in Minnesota unless the individual is licensed as an insurance producer for accident and health or sickness insurance or life insurance and has completed an initial one-time training course by January 1, 2008. Producers will also be required to complete ongoing training every 24 months thereafter.

Prior to January 1, 2008, insurance producers licensed to sell accident and health or sickness insurance or life insurance in Minnesota will be considered to have satisfied these statutory requirements by virtue of holding appropriate licensing for the sale of long-term care insurance in Minnesota provided they have a general understanding of long-term care insurance, including Partnership policies and how they relate to other public and private coverage of long-term care. Producers who wish to sell Partnership policies in Minnesota have until January 1, 2008 to complete the required training, but may continue selling long-term care insurance, including qualified Partnership policies, until that date. After January 1, 2008, it will be a violation of Minnesota law for a producer to sell, solicit or negotiate a long-term care insurance policy without having completed the initial training requirement of Minnesota Statutes section 60K.365.

The initial one-time training must be no less than eight hours long, and ongoing training must be no less than four hours long and occur every 24 months. All of the training courses must be approved by the Commissioner. The training must cover the topics listed in Minnesota Statutes section 60K.365 clause (b) including but not limited to: long-term care insurance, long-term care services, qualified Partnership policies, the relationship between Partnership policies and other public and private coverage of long-term care services, and suitability requirements. A copy of model course content for Minnesota Medicaid/Medical Assistance and its relationship to Minnesota Partnership is available at www.mnltcpartnership.org. The eight-hour or the four-hour training sessions may be approved as continuing education under Minnesota Statutes section 60K.56 and may be conducted in either a classroom or through interactive distance learning.

The satisfaction of the initial eight-hour training requirement in any state will be deemed to have satisfied the training requirements in Minnesota, as allowed under Minnesota Statutes section 60K.365(d). However, non-resident producers selling Partnership policies will be expected to demonstrate knowledge about unique aspects of Minnesota's Medicaid/Medical Assistance system.

Beginning January 1, 2008, insurers offering long-term care insurance products, including Partnership policies, must obtain verification that the producers representing the insurer have received the required training before the producer is permitted to sell, solicit or negotiate the insurer's long-term care insurance products. Insurers must maintain records of verification and must make these records available to the Department of Commerce upon request.

The Department has posted this bulletin on the Department of Commerce website (www.commerce.state.mn.us) to make this information quickly available to insurance producers.

Any questions regarding the information contained in this bulletin should be emailed to: dhs.ltc.partnership@state.mn.us.



Glenn Wilson
COMMISSIONER

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE
Addendum to Bulletin 2007-4

TO: All Insurers Writing Long-Term Care Insurance Business in Minnesota; All Insurance Producers Selling, Soliciting or Negotiating Long-Term Care Insurance in Minnesota; and All Approved Continuing Education Providers Offering Long-Term Care Insurance Training

SUBJECT: Producer Training for Sale of Policies Qualifying for the Minnesota Long-Term Care Insurance Partnership Program

Bulletin 2007-4 provides that an individual may not sell, solicit, or negotiate long-term care insurance unless the individual is licensed as an insurance producer for accident and health or sickness insurance or life insurance and has completed an initial, one-time training course by January 1, 2008. It has come to the Department's attention that due to a variety of circumstances a significant number of producers will be unable to take the initial, one-time training by January 1, 2008. In recognition of the large number of producers who still need to complete their initial training, the Department will provide a one-time extension of the deadline, limited in scope and duration.

Accordingly, an individual licensed as an insurance producer for accident and health or sickness insurance or life insurance, who has not completed the initial, one-time training course by January 1, 2008, may continue to sell, solicit and negotiate long-term care insurance until February 1, 2008. However, a licensed producer who has not taken the one time initial training course by January 1, 2008 may not sell, solicit or negotiate a Partnership policy until they have completed the required training. After February 1, 2008, a producer who has not taken the initial training course may not sell, solicit or negotiate long-term care insurance or Partnership policies in Minnesota as in accordance with Bulletin 2007-4.

For any questions related to this issue, please contact our Licensing Division:

1-800-657-3978 (MN only, 8 AM - 4:15PM)

651-296-6319 (8 AM - 4:15PM)

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